



The TOWN OF NORWOOD

Commonwealth of Massachusetts

An override pledge to the citizens of Norwood

This document shall be adhered to by the Board of Selectmen, the Finance Commission, the School Committee, and staff in the preparation and administration of the Town's budgets in FY20 and subsequent years in an effort to maintain the level of services currently available to residents in Norwood, offer a competitive education program through the School Department and to manage taxpayer investments in a fiscally prudent manner.

- 1) Override funds will be made to last at least five years (FY2020-FY2024). No general override will be sought during this period. – The plan includes an Override Stabilization Account to meet this timeframe.
- 2) Beginning in FY21, non-utility Town budget (general government and school operating budgets, but not shared expenses) increases will be capped at 3.5% per year subject to availability of funds.
- 3) A significant aspect to cost reduction is to limit the addition of positions that would require benefits. To ensure management of these costs in years 2 -5 no more than 5 benefited positions will be added in one year in the school budget and 2 positions in general government. This shall exclude mandatory Special Education, English Language Learners, grant funded positions, or other mandated or statutorily required positions.
- 4) Health care cost increases will be programmed at 5%. Should actual increases be less than this amount as a result of negotiated health care savings, the extra savings will be deposited into the override stabilization fund to extend the override period and/ or used to preserve services.
- 5) Beginning in FY21, the allocation from the override to road paving (\$250,000) will not be decreased or transferred to another line and will remain permanently in the operating budget of General Government. General Government shall increase the total amount allocated to snow and ice removal each year until reaching a 5-year average snow and ice expenditure amount.
- 6) Agreement will be reviewed if substantial changes are made to state funding, unfunded mandates having a financial impact on the Town or other extraordinary or unforeseen events. This document will guide budget preparation by staff as well as the Finance Commission in recommending a budget to Town Meeting.
- 7) The Town's annual contribution to its OPEB trust fund will not be decreased during the five year period.
- 8) The Town will utilize all available revenue sources before maximizing the levy limit each year consistent with the Town's financial management policies.